

C E N T R A L I N T E L L I G E N C E A G E N C Y
O F F I C E O F N A T I O N A L E S T I M A T E S

2 July 1951

MEMORANDUM FOR THE NATIONAL ESTIMATES BOARD

FROM: Chief, Estimates Staff
SUBJECT: Draft Terms of Reference for NIE-40

1. Attached are draft terms of reference for NIE-40, "Strategic Effects of Soviet Acquisition of Western Europe Before Mid-1952." This draft has been revised to take account of suggestions made at meetings with the IAC Representatives on 11 and 19 June. In effect, the changes have greatly reduced the complexity of the terms of reference so that the military information requested can be presented simply. While a considerably more complicated outline of questions would be useful for the agencies involved in compiling the economic information requested, it would probably be advisable to let OIR (State) work out the structure of the economic research report in conjunction with the new O/RR Economic Committee. While this draft of the terms of reference does not give much guidance to the economists, they can work within its structure and by and large know what they need to do to produce the economic intelligence essential to this estimate.



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C E N T R A L I N T E L L I G E N C E A G E N C Y
O F F I C E O F N A T I O N A L E S T I M A T E S

29 June 1951

S U B J E C T : T E R M S O F R E F E R E N C E : N I E - 4 0 : S T R A T E G I C E F F E C T S O F
S O V I E T A C Q U I S I T I O N O F W E S T E R N E U R O P E B E F O R E
M I D - 1 9 5 2 . (F o r B o a r d c o n s i d e r a t i o n)

T H E P R O B L E M

T o e x a m i n e t h e e f f e c t o n t h e p o w e r p o s i t i o n o f t h e U S S R
o f S o v i e t a c q u i s i t i o n o f W e s t e r n E u r o p e * b e f o r e m i d - 1 9 5 2 .

S C O P E

T h e s t u d y w o u l d p r e s e n t a s u m m a t i o n o f t h e p o t e n t i a l
m i l i t a r y a n d e c o n o m i c a c c r e t i o n s t o t h e S o v i e t b l o c r e s u l t i n g
f r o m p o s s e s s i o n o f t h e a r e a . F i r s t , i t w o u l d b e a s s u m e d
(S e c t i o n I) t h a t t h e U S S R a c q u i r e d t h e a r e a w i t h o u t r e s i s t a n c e
a n d d e s t r u c t i o n b y W e s t e r n a r m e d f o r c e s , w i t h o u t e f f e c t i v e

* C o n t i n e n t a l E u r o p e w e s t o f t h e I r o n C u r t a i n , i n c l u d i n g F i n -
l a n d , S w e d e n , N o r w a y , D e n m a r k , W e s t G e r m a n y , S w i t z e r l a n d ,
I t a l y , Y u g o s l a v i a , F r a n c e , S p a i n , P o r t u g a l , T h e N e t h e r l a n d s ,
B e l g i u m , L u x e m b o r g , b u t e x c l u d i n g t h e U K a n d a l l c o l o n i a l
p o s s e s s i o n s o f t h e W e s t e r n E u r o p e a n c o u n t r i e s .

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internal resistance, and without US counteraction against Western Europe or the USSR. The study would then assume (Section II) that acquisition of the area was accompanied by general war between the US and the USSR, and would examine the factors which would retard or prevent full Soviet realization of the area's war potential. No attempt will be made to reach conclusions regarding a Soviet intent to overrun Western Europe, but certain limited conclusions may emerge which might shed light on the role of Western Europe in the Kremlin's over-all strategic planning.

QUESTIONS BEARING ON THE PROBLEM

I. WHAT MILITARY AND ECONOMIC ADVANTAGES COULD THE USSR OBTAIN FROM ACQUISITION OF THE TERRITORY AND TOTAL RESOURCES OF WESTERN EUROPE?

(Disregard such factors as US counteraction, destruction by Western forces, or interdiction of the conquered areas normal trade with non-Soviet areas.)

A. MILITARY

1. Defensive advantages, or reduction of potential military threat to the USSR (denial to the US of manpower, air bases, land approaches to the USSR, etc.).

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2. Offensive advantages, or increased facilities for military action against the US, the UK and other non-Soviet countries resulting from acquisition of bases, trained manpower, munitions, etc.

B. ECONOMIC AND SCIENTIFIC

1. What would be the over-all accretion to the Soviet military potential from Western European stocks, resources and productive capacity?
2. In what particular lines would the economic and scientific potential of Western Europe make the greatest contribution to Soviet strength?

II. UNDER THE ASSUMPTION OF GENERAL WAR BETWEEN THE US AND THE USSR, WHAT FACTORS WOULD TEND TO RETARD OR PREVENT SOVIET REALIZATION OF WESTERN EUROPE'S POTENTIAL AND FROM THE SOVIET VIEW WHAT DISADVANTAGES MIGHT RESULT FROM ACQUISITION OF WESTERN EUROPE?

(A precise estimate of the damage which could be inflicted by the various military and economic courses of action available to the US is not expected.)

A. MILITARY AND POLITICAL FACTORS

1. Overextension of Soviet military forces.
2. Necessity for providing large occupation forces.

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3. Administrative problems.
4. Difficulties of organizing and controlling non-Soviet armed forces.

B. ECONOMIC FACTORS

1. What basic problems would confront the USSR in integrating the economies of the newly occupied area with that of the present Soviet orbit and in exploiting Western European resources?
 - (a) What conversion and standardization problems would arise?
 - (b) To what extent would there be transportation difficulties?
 - (c) To what extent and in what specific fields would the USSR be forced to rely on Western European military, scientific, and technical personnel?
 - (d) To what extent would non-cooperation and obstruction by Western European labor forces reduce Soviet utilization of the area's resources?
2. To what degree is the Western European economy dependent on imports from non-Soviet

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areas? To what extent could these imports
be supplied by the USSR?

3. To what extent could Western European resources
and facilities compensate the USSR for partial
or total destruction of its own war industry?
On which particular Western European resources
and facilities would the USSR rely most
heavily?

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N A T I O N A L E S T I M A T E S B O A R D



14 June 1951

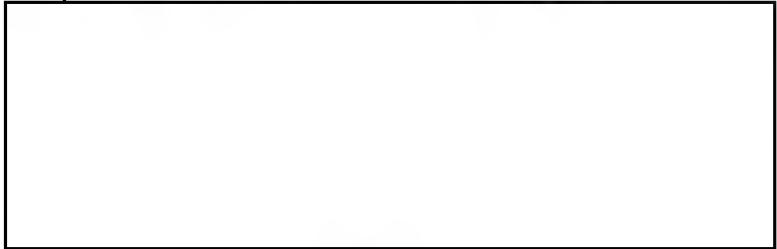
MEMORANDUM FOR THE INTELLIGENCE ADVISORY COMMITTEE

SUBJECT: NIE-40: Strategic Effects of Soviet
Acquisition of Western Europe
and the Near East Before 1953

1. Reference is made to projected NIE-40, the
terms of reference of which were discussed with the
IAC representatives on 11 June.

2. This project has been further discussed with
the Director of Central Intelligence who regards it
as important and has directed that it be taken in hand
with such support as the IAC agencies may be able and
willing to contribute.

3. A further meeting on the terms of reference
has therefore been scheduled for 2:30 p.m., on Tuesday,
19 June 1951, and it is hoped that you will be able to
provide a representative from each of your respective
agencies.



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